

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

<b>IN RE:</b>	)	<b>Chapter 11</b>
	)	
<b>CORAM HEALTHCARE CORP., and CORAM, INC.,</b>	)	<b>Case No. 00-3299 (MFW)</b>
	)	<b>(Jointly Administered)</b>
	)	
<b>Debtors.</b>	)	
	)	
<b>UBS SECURITIES LLC,</b>	)	
	)	
<b>Appellant,</b>	)	
	)	
<b>v.</b>	)	<b>Civil Action No. 04-1558</b>
	)	
<b>CORAM HEALTHCARE CORPORATION, et al.,</b>	)	
	)	
	)	
<b>Appellee.</b>	)	

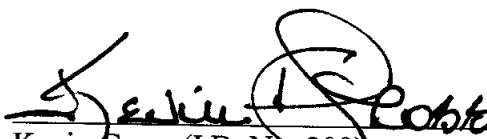
**MEDIATOR'S REPORT**

The undersigned mediator, Kevin Gross, reports on the progress of the mediation as follows:

1. The parties participated in a full mediation session on January 26, 2005, and actively and in good faith attempted to settle the appeal from the relevant Bankruptcy Court's ruling.
2. The mediator and the parties further continued settlement discussions thereafter.
3. Settlement discussions have reached an impasse and the parties wish to proceed with the appeal.

Dated: August 19, 2005

MEDIATOR

  
\_\_\_\_\_  
Kevin Gross (I.D. No. 209)  
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**CERTIFICATE OF SERVICE**

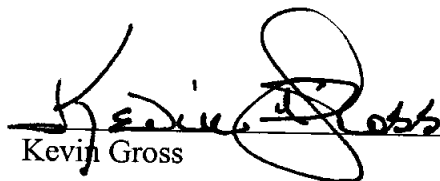
I, Kevin Gross, hereby certify that on this 19<sup>th</sup> day of August, 2005, I caused a copy of the foregoing to be served upon the following persons by first class mail:

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